

FOR REGISTRAR

2736530

CRESTHART LIMITED
DIRECTORS' REPORT and ACCOUNTS
FOR THE YEAR ENDED 28th FEBRUARY 1997



CRESTHART LIMITED

CONTENTS

	<u>Page</u>
Directors' Report	1
Accountant's Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Accounts	5 - 8

The following page does not form part of the Accounts:

Trading and Profit and Loss Account	9
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CRESTHART LIMITED
REPORT of the DIRECTORS
FOR THE YEAR ENDED 28th FEBRUARY 1997

The directors present their report and the Accounts for the year ended 28th February 1997.

PRINCIPAL ACTIVITY and REVIEW OF BUSINESS

The principal activity continues to be that of retail jewellers.
The results are as set out on page 3.

DIVIDENDS

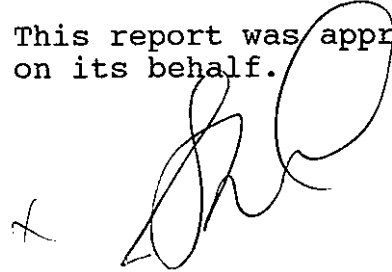
The directors do not recommend the payment of a dividend.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	<u>Number of Shares</u>	
	<u>28th February 1997</u>	<u>1st March 1996</u>
S. Ralph	99	99
S. Helsby	1	1

This report was approved by the board on 22nd July 1997 and signed on its behalf.


S. Ralph
Secretary

Registered Number: 2736530

ACCOUNTANT'S REPORT to the SHAREHOLDERS

on the UNAUDITED ACCOUNTS of

CRESTHART LIMITED

I report on the Accounts for the year ended 28th February 1997 set out on pages 3 to 8.

Respective Responsibilities of Directors and Reporting Accountant

As described on page 4 the company's directors are responsible for the preparation of the Accounts, and they consider that the company is exempt from an audit. It is my responsibility to carry out procedures designed to enable me to report my opinion.

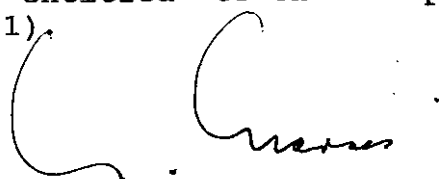
Basis of Opinion

My work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so my procedures consisted of comparing the Accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as I considered necessary for the purposes of this report. These procedures provide only the assurance expressed in my opinion.

Opinion

In my opinion:

- (a) the Accounts are in agreement with the accounting records kept by the company under Section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the Accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249 C (6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the Accounts for the year specified in Section 249 A (4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249 B (1).



Melville Morris
Chartered Accountant
Liverpool

22nd July 1997

CRESTHART LIMITED
PROFIT and LOSS ACCOUNT
FOR THE YEAR ENDED 28th FEBRUARY 1997

		<u>1997</u>	<u>1996</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
TURNOVER	1.2	210,225	226,447
COST OF SALES		(116,513)	(125,313)
<u>GROSS PROFIT</u>		93,712	101,134
Rent Received		3,500	3,500
		97,212	104,634
Selling and distribution costs		(65,553)	(59,100)
Administrative expenses		(21,502)	(26,220)
<u>OPERATING PROFIT</u>	2	10,157	19,314
Interest Payable		(1,038)	(2,747)
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		9,119	16,567
Taxation	3	(2,441)	(4,142)
<u>RETAINED PROFIT FOR YEAR</u>		6,678	12,425
RETAINED PROFIT BROUGHT FORWARD		27,394	14,969
<u>RETAINED PROFIT CARRIED FORWARD</u>		34,072	27,394

There were no recognised gains and losses for 1997 or 1996 other than those included in the Profit and Loss Account

The notes on pages 5 to 8 form part of these Accounts.

CRESTHART LIMITED

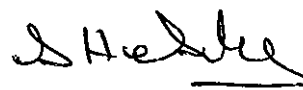
BALANCE SHEET

as at 28th FEBRUARY 1997

		<u>1997</u>	<u>1996</u>
	<u>Notes</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>			
Tangible Assets	4	13,676	14,936
<u>CURRENT ASSETS</u>			
Stock		80,210	84,672
Cash at Bank and in Hand		3,217	11,198
		<u>83,427</u>	<u>95,870</u>
CREDITORS: Amounts falling due within one year	5	(62,132)	(76,483)
<u>NET CURRENT ASSETS</u>		<u>21,295</u>	<u>19,387</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>34,971</u>	<u>34,323</u>
CREDITORS: Amounts falling due after more than one year	6	-	(6,349)
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>			
Deferred Tax	7	(799)	(480)
<u>NET ASSETS</u>		<u>34,172</u>	<u>27,494</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	8	100	100
Profit and Loss Account		34,072	27,394
<u>SHAREHOLDERS' FUNDS</u>	9	<u>34,172</u>	<u>27,494</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act, 1985. Shareholders holding 10% or more of the nominal value of the company's issued share capital have not issued a notice requiring an audit. The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act, 1985 and for preparing Accounts which give a true and fair view of the state of affairs of the company as at 28th February 1997 and of its profit for the year then ended in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the Accounts so far as applicable to the company.

The Accounts were approved by the board on 22nd July 1997 and signed on its behalf.

S. Helsby 
Director

The notes on pages 5 to 8 form part of these Accounts.

CRESTHART LIMITED

NOTES to the ACCOUNTS

FOR THE YEAR ENDED 28th FEBRUARY 1997

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Accounts

The Accounts are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Lease	5.56% straight line basis
Fixtures and Fittings	10% reducing balance basis

1.4 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.6 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

CRESTHART LIMITED

NOTES to the ACCOUNTS

FOR THE YEAR ENDED 28th FEBRUARY 1997

2. OPERATING PROFIT

The operating profit is stated after charging:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Depreciation of Tangible Fixed Assets		
- owned by the company	1,260	1,356
Accountancy	1,300	1,200
Operating lease rentals - equipment	1,238	2,188
Directors' Emoluments	11,700	14,719

3. TAXATION

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>U. K. Current Year Taxation</u>		
U. K. Corporation Tax at 24%/25%		
(1996 - 25%)	2,122	3,982
Transfer to deferred taxation	319	160
	<u>2,441</u>	<u>4,142</u>

4. TANGIBLE FIXED ASSETS

	<u>Lease</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
<u>Cost</u>			
At 1st March 1996 and At 28th February 1997	7,029	10,823	17,852
<u>Depreciation</u>			
At 1st March 1996	782	2,134	2,916
Charge for Year	391	869	1,260
At 28th February 1997	1,173	3,003	4,176
<u>Net Book Value</u>			
At 28th February 1997	5,856	7,820	13,676
At 28th February 1996	6,247	8,689	14,936

CRESTHART LIMITED

NOTES to the ACCOUNTS

FOR THE YEAR ENDED 28th FEBRUARY 1997

5. CREDITORS: Amounts falling due within one year

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Trade Creditors	22,405	36,987
Other Creditors	8,630	6,072
Social Security and Other Taxes	8,953	10,561
Corporation Tax	2,122	7,782
Bank Overdraft	12,135	12,498
Bank Loan	7,887	2,583
	<u>62,132</u>	<u>76,483</u>

6. CREDITORS: Amounts falling due after more than one year

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Bank Loan	-	6,349

7. DEFERRED TAXATION

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Balance at 1st March	480	320
Charge for the year	319	160
	<u>799</u>	<u>480</u>

The provision for deferred taxation is made up of accelerated capital allowances.

8. CALLED UP SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>AUTHORISED</u>		
Ordinary Shares of £1 each	100	100
<u>ALLOTTED, CALLED UP AND FULLY PAID</u>		
Ordinary Shares of £1 each	100	100

CRESTHART LIMITED

NOTES to the ACCOUNTS

FOR THE YEAR ENDED 28th FEBRUARY 1997

9. MOVEMENT ON SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Profit for the Year	6,678	12,425
Opening Shareholders' Funds	27,494	15,069
	<hr/>	<hr/>
<u>Closing Shareholders' Funds</u>	<u>34,172</u>	<u>27,494</u>